

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name Danby Township	County Ionia
Audit Date 3/31/04	Opinion Date 6/18/04	Date Accountant Report Submitted to State: 10/14/04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

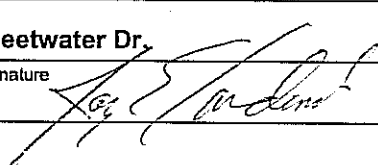
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) Cardinal Tepatti & Co., P.C.			
Street Address 11966 Sweetwater Dr.	City Grand Ledge	State MI	ZIP 48837
Accountant Signature 		Date 10/14/04	

DANBY TOWNSHIP
IONIA COUNTY, MICHIGAN
AUDIT REPORT
FOR THE YEAR ENDED MARCH 31, 2004

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CARDINAL TEPATTI & Co. P.C.

11966 SWEETWATER DR.
GRAND LEDGE, MICHIGAN 48837

RICHARD M. ANDERSON, CPA
JAY E. CARDINAL, CPA
RANDALL L. TEPATTI, CPA
STEVEN W. SHULTS, CPA

TELEPHONE
(517) 627-4008
FAX (517) 627-6288

INDEPENDENT AUDITOR'S REPORT

Honorable Board Members
Danby Township
13122 Charlotte Highway
Sunfield, MI 4424

We have audited the general purpose financial statements of Danby Township, Ionia County, Michigan, and the combining, individual fund, and account group financial statements and schedules of the Township as of and for the year ended March 31, 2004, as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Danby Township, Ionia County, Michigan, as of March 31, 2004, and the results of its operations for the year then ended in conformity with generally accepted accounting principles generally accepted in the United States of America.

Randall L. Tepatti, *Registered Representative*

Securities offered through H.D. Vest Investment SecuritiesSM, Inc., Member SIPC. Advisory Services offered through H. D. Vest Advisory ServicesSM, Non-bank subsidiaries of Wells, Fargo & Company
6333 North State Highway 161, Suite 400, Irving, Texas 75038 (972) 870-6000

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of Danby Township, Ionia County, Michigan. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements, taken as a whole.

Cardinal Tepper & G.P.C.

Grand Ledge, Michigan
June 18, 2004

**DANBY TOWNSHIP
COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
MARCH 31, 2004**

	<u>General</u>	<u>Special Revenue</u>	<u>Fiduciary Fund Types Trust and Agency</u>	<u>Account Group General Fixed Assets</u>	<u>Total (Memorandum Only)</u>
ASSETS					
Cash and Cash Equivalents	\$ 87,417	\$ 417,796	\$ 21,268	\$	\$ 526,481
Investments		206,930	19,664		226,594
Receivables:					
Accounts - Ambulance	12,579				12,579
Taxes	3,099				3,099
Prepaid Expense	3,806				3,806
Due from Other Funds	7,089				7,089
Land and Improvements				96,749	96,749
Buildings				198,909	198,909
Machinery and Equipment				66,198	66,198
Total Assets	\$ 113,990	\$ 624,726	\$ 40,932	\$ 361,856	\$ 1,141,504
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts Payable	\$ 9,681	\$	\$	\$	\$ 9,681
Due to Other Funds			7,089		7,089
Total Liabilities	\$ 9,681	\$ -0-	\$ 7,089	\$ -0-	\$ 16,770
Fund Equity					
Investment in General					
Fixed Assets	\$	\$	\$	\$ 361,856	\$ 361,856
Fund Balances:					
Reserved	3,806	2,873	33,843		40,522
Unreserved	100,503	621,853			722,356
Total Fund Equity	\$ 104,309	\$ 624,726	\$ 33,843	\$ 361,856	\$ 1,124,734
Total Liabilities and Fund Equity	\$ 113,990	\$ 624,726	\$ 40,932	\$ 361,856	\$ 1,141,504

The notes to the financial statements
are an integral part of this statement

**DANBY TOWNSHIP
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED MARCH 31, 2004**

	General	Special Revenue	Total (Memo. Only)
REVENUES			
Taxes	\$ 68,541	\$ 60,909	\$ 129,450
Licenses & Permits	7,234		7,234
State Grants	188,073		188,073
Charges for Services	27,739		27,739
Interest & Rentals	1,207	7,070	8,277
Other Revenue	25,350		25,350
	<u>318,144</u>	<u>67,979</u>	<u>386,123</u>
Total Revenues	\$ 318,144	\$ 67,979	\$ 386,123
EXPENDITURES			
Current:			
Legislative	\$ 24,648	\$	\$ 24,648
General Government	147,102		147,102
Public Works	53,282	1,417	54,699
Public Safety	50,531	58,729	109,260
	<u>275,563</u>	<u>60,146</u>	<u>335,709</u>
Total Expenditures	\$ 275,563	\$ 60,146	\$ 335,709
Excess of Revenues Over (Under)			
Expenditures	\$ 42,581	\$ 7,833	\$ 50,414
Other Financing Sources (Uses)			
Operating Transfers In	\$ 63,181	\$ 74,000	\$ 137,181
Operating Transfers (Out)	(74,000)	(63,181)	(137,181)
	<u>(10,819)</u>	<u>10,819</u>	<u>-0-</u>
Net Other Financing Sources (Uses)	\$ (10,819)	\$ 10,819	\$ -0-
Excess of Revenues and Other			
Sources Over (Under) Expenditures			
and Other Uses	\$ 31,762	\$ 18,652	\$ 50,414
Fund Balance - April 1	72,547	606,074	678,621
Fund Balance - March 31	\$ 104,309	\$ 624,726	\$ 729,035

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL, SPECIAL REVENUE AND DEBT SERVICES FUNDS
FOR THE FISCAL YEAR ENDED MARCH 31, 2004

	General Funds			Special Revenue Fund			Total (Memorandum Only)		
	Budget	Actual	Variance Favorable (Unfavor)	Budget	Actual	Variance Favorable (Unfavor)	Budget	Actual	Variance Favorable (Unfavor)
REVENUES									
Taxes	\$ 61,000	\$ 68,541	\$ 7,541	\$ 23,019	\$ 60,909	\$ 37,890	\$ 84,019	\$ 129,450	\$ 45,431
Licenses & Permits	4,200	7,234	3,034				4,200	7,234	3,034
State Grants	200,000	188,073	(11,927)				200,000	188,073	(11,927)
Charges for Services	20,500	27,739	7,239				20,500	27,739	7,239
Interest & Rentals	2,280	1,207	(1,073)	13,000	7,070	(5,930)	15,280	8,277	(7,003)
Other Revenue	2,500	25,350	22,850				2,500	25,350	22,850
Total Revenues	\$ 290,480	\$ 318,144	\$ 27,664	\$ 36,019	\$ 67,979	\$ 31,960	\$ 326,499	\$ 386,123	\$ 59,624
EXPENDITURES									
Current:									
Legislative	\$ 29,002	\$ 24,648	\$ 4,354	\$	\$	\$	\$ 29,002	\$ 24,648	\$ 4,354
General Government	163,377	147,102	16,275				163,377	147,102	16,275
Public Works	120,000	53,282	66,718	1,448	1,417	31	121,448	54,699	66,749
Public Safety	55,046	50,531	4,515	38,500	58,729	(20,229)	93,546	109,260	(15,714)
Total Expenditures	\$ 367,425	\$ 275,563	\$ 91,862	\$ 39,948	\$ 60,146	\$ (20,198)	\$ 407,373	\$ 335,709	\$ 71,664
Excess of Revenues Over (Under) Expenditures	\$ (76,945)	\$ 42,581	\$ 119,526	\$ (3,929)	\$ 7,833	\$ 11,762	\$ (80,874)	\$ 50,414	\$ 131,288
Other Financing Sources (Uses)									
Operating Transfers In	\$ 105,000	\$ 63,181	\$ (41,819)	\$ 74,000	\$ 74,000	\$ -0-	\$ 179,000	\$ 137,181	\$ (41,819)
Operating Transfers (Out)	(74,000)	(74,000)	-0-	(105,000)	(63,181)	41,819	(179,000)	(137,181)	41,819
Total Other Financing Sources (Uses)	\$ 31,000	\$ (10,819)	\$ (41,819)	\$ (31,000)	\$ 10,819	\$ 41,819	\$ -0-	\$ -0-	\$ -0-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (45,945)	\$ 31,762	\$ 77,707	\$ (34,929)	\$ 18,652	\$ 53,581	\$ (80,874)	\$ 50,414	\$ 131,288
Fund Balance - April 1		72,547			606,074			678,621	
Fund Balance - March 31		\$ 104,309			\$ 624,726			\$ 729,035	

**DANBY TOWNSHIP
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN RETAINED EARNINGS/ FUND BALANCE - BUDGET AND ACTUAL
ALL NON-EXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED MARCH 31,2004**

	<u>Fiduciary Fund Types</u>
	<u>Nonexpendable Trust</u>
OPERATING REVENUES	\$ 349
OPERATING EXPENDITURES	<u>18</u>
Operating Income (Loss)	\$ 331
NONOPERATING REVENUES (EXPENSES)	
Interest revenue	<u>1,203</u>
Net Income	\$ 1,534
Fund Balance - April 1	<u>32,309</u>
Fund Balance - March 31	<u><u>\$ 33,843</u></u>

The notes to the financial statements
are an integral part of this statement

**DANBY TOWNSHIP
COMBINED STATEMENT OF CASH FLOWS
ALL NON-EXPENDABLE TRUST FUNDS
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS
FOR THE YEAR ENDED MARCH 31,2004**

	<u>Fiduciary Fund Types</u>
	<u>Nonexpendable Trust</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Charges for Services	\$ 349
Other Expenses	<u>(18)</u>
Net Cash Provided by Operating Activities	\$ 331
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on Cash Equivalents	\$ 1,203
Purchase of Certificates of Deposit	<u>(1,355)</u>
Net Cash Provided by Investing Activities	\$ <u>(152)</u>
Net Increase in Cash and Cash Equivalents	\$ 179
Cash and Cash Equivalents - April 1	<u>14,000</u>
Cash and Cash Equivalents -March 31	\$ <u><u>14,179</u></u>

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Danby Township, Ionia County, Michigan conform to generally accepted accounting principles. The following is a summary of such significant policies:

Principles Determining Scope of Reporting Entity

The financial statements of the Township consist only of the funds and account groups of the Township. The Township has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the Township. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board.

Basis of Presentation

The accounts of the Township are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into fund types, broad fund categories and account groups as follows:

Governmental Funds

General Fund - This fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the local unit. Revenues are derived primarily from property taxes, state and federal distributions, grants and other intergovernmental revenues.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes. These funds include the Public Improvement, Improvement Revolving, Fire, Road and Bridge, Pearl Barr Lighting Districts, F. Evans Memorial and Cemetery Building Funds.

DANBY TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fiduciary Funds

These funds are used to account for assets held in trust or as an agent for others. Township has two Fiduciary Funds as follows:

Agency Funds

Agency Funds are purely custodial in nature (assets equal liabilities) and thus, do not involve measurement of results of operations. The Township's Tax Collection and Delinquent Tax Collection Funds are Agency Funds.

Nonexpendable Trust Funds

The measurement focus of the Nonexpendable Trust Funds should be accounted for on the accrual basis. The Township's Cemetery Perpetual Care, Shuman-Rumfield, Wm. B. Shuman, Alice A. Fishbeck, D.F. Deatsman, Wm. J. Browne and Benton Stiffler are Nonexpendable Trust Funds.

Account Groups

General Fixed Assets Account Group - This Account Group presents the fixed assets of the local unit utilized in its general operations (nonproprietary fixed assets).

Total Column On Combined Statements - Overview

The total column on the Combined Statements - Overview is captioned Memorandum Only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Basis of Accounting

The basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing or the measurement made, regardless of the measurement focus applied.

All governmental funds and agency funds are accounted for using the modified accrual basis of accounting. Modifications in such method from accrual basis are as follows:

DANBY TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

- a. Property taxes and other revenue that are both measurable and Available for use to finance operations are recorded as revenue when earned. Other revenue is recorded when received.

Properties are assessed as of December 31, and the related property taxes become a lien the following year. These taxes are due on September 30, with the final collection date of February 28, before they are added to the county tax rolls.

- b. Interest income on special assessments receivable is not accrued until its due date.
- c. Interest on bonded indebtedness and other long term debt is not recorded as an expenditure until its due date.
- d. Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.
- e. Normally, expenditures are not divided between years by the recording of prepaid expenses.

Budget Policies

The Township follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to March 1, the Supervisor submits, to the Township Board, a proposed operating budget for the calendar year beginning the following April 1. The operating budget includes proposed expenditures and the means of financing them for the general and special revenue funds.
2. A public hearing is conducted to obtain taxpayer comments. After the public hearing, the budget is legally enacted through passage of a resolution.
3. Any revision of the budget must be approved by the Township Board.
4. Formal budgetary integration is employed as a management control device during the year for the General Fund.
5. Budgets for General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles. All unexpended appropriations lapse at the year end. Encumbrances are not employed.

DANBY TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Cash and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government.

Investments are stated at cost or amortized cost.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Short-term Interfund Receivable/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables".

Interfund Transactions

During the course of normal operations, the Township has numerous transactions between funds, including expenditures and transfers or resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as operating transfers. Operating subsidies are also recorded as operating transfers. The amounts recorded as subsidies, advances, or equity contributions are determined by Township management.

Fixed Assets

General fixed assets are recorded as expenditures in the applicable funds at the time of purchase and are accounted for in the General Fixed Asset Group of Accounts. All purchased fixed assets are valued at cost at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. No depreciation has been provided on general fixed assets.

DANBY TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fixed Assets

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the government.

Property Taxes

The Township property tax is levied on each December 1, on the State Taxable Valuation of property located in the Township as of the preceding December 31st.

The Township 2003 ad valorem tax is levied and collectible on December 31, 2003. It is the Township's policy to recognize revenue from this year's tax levy.

The 2003 State Equalized Valuation of the Township totaled \$84,888,000 and the State Taxable Valuation was \$61,434,890, on which ad valorem taxes levied consisted of .8232 mills for general government purposes and .0223 mills for fire department operations. The total township property tax levy was \$51,943.

Special Assessment Revenue Recognition

Special assessment revenue is recorded as deferred when initially assessed. To the extent special assessments are realized, that is collected, revenue is recognized.

Fund Equity - Unreserved

The unreserved fund balances for governmental funds represent the amount available for budgeting future operations. Reserved fund balances represent the net assets that have been legally identified for specific purposes. Designated fund balances represent management's future plans for use of resources.

Fund Equity - Reserved

The Fund Balance Reserve reflects an offset for restricted cash and prepaid insurance. Under the modified accrual basis of accounting, if restricted cash and prepaid insurance are reported in the financial statements, it is to be equally offset by a fund balance reserve account. This indicates that even though restricted cash and prepaid insurance are components of net current assets, they do not represent "available spendable resources." The fund balance reserve indicates that the restricted cash and prepaid insurance, reported on the financial statements, are designated for a specific use and, therefore, are not "available spendable resources."

DANBY TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - PROPERTY TAXES RECEIVABLE

The delinquent real property taxes of the Township are purchased by the County of Ionia. The County intends to sell tax notes, the proceeds of which will be used to pay the Township for these property taxes. These taxes have been recorded as revenue for the current year.

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

Deposits are carried at cost. Deposits are in six financial institutions in the name of the Township Treasurer. Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in accounts of Federally insured banks, credit unions, and savings and loan associations. Investments can also be made in bonds, securities and other obligations of the United States, or an agency or instrumentality of the United States, which are guaranteed as to principal and interest by the United States, including securities issued by the Government National Mortgage Association; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the three highest classifications by not less than two standard rating services which mature not more than 270 days after the date of purchase and which involve no more than 50 percent of any one fund. Michigan law prohibits security in the form of collateral, surety bonds, or other forms for the deposit of public money. Attorney General's Opinion No. 6168 states that public funds may not be deposited in financial institutions located in states other than Michigan. The Township's deposits are in accordance with statutory authority.

The Governmental Accounting Standards Board (GASB) Statement No. 3 risk disclosure for deposits at year end are as follows:

<u>Deposits</u>	
Insured (FDIC)	\$ 256,080
Uninsured and Uncollateralized	359,430
Total	<u>\$ 615,510</u>

At year end, the balance sheet carrying amount of deposits was \$526,481.

DANBY TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS (Cont'd)

The GASB Statement No. 3 risk disclosures for the Township are as follows:

<u>Investment Type</u>	<u>(1)</u>	<u>(2)</u>	<u>(3)</u>	<u>Carrying Amount</u>	<u>Fair Value</u>
Cert. of Deposit	\$226,594			\$226,594	\$226,594
Total Investments	\$226,594			\$226,594	\$226,594

Risk Categories:

1. Insured or Registered, or Securities held by the Township or Township's agent in the Township's name.
2. Uninsured and Unregistered, with Securities held by the Dealers' Department or its agent in the Township's name.
3. Uninsured and Unregistered, with Securities held by the Dealer, or the Dealer's Trust Department or Agent but not in the Township's name.

NOTE 4 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS

P.A. 621 of 1978, Section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets of the Township for these budgetary funds were adopted to the activity level.

During the year ended March 31, 2004, the Township incurred expenditures in certain budgetary funds which were in excess of the amounts appropriated.

<u>Fund</u>	<u>Total Appropriations</u>	<u>Amount of Expenditures</u>	<u>Budget Variance</u>
General Fund			
General Government:			
Treasurer	\$19,579	\$20,533	\$ (954)
Township Hall	27,675	29,496	(1,821)
Cemetery	21,538	33,627	(12,089)
Public Safety:			
Ambulance	36,146	39,477	(3,331)

DANBY TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - CHANGES IN GENERAL FIXED ASSETS

A Summary of changes in general fixed assets follows:

	Balance 04/01/03	Additions	Deletions	Balance 03/31/04
Land & Improvements \$	53,649	\$ 43,100	\$ -0-	\$ 96,749
Buildings	198,909	-0-	-0-	198,909
Machinery & Equip.	60,631	5,567	-0-	66,198
Total	<u>\$ 313,189</u>	<u>\$ 48,667</u>	<u>\$ -0-</u>	<u>\$ 361,856</u>

NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES

The amounts of interfund receivables and payables are as follows:

Fund	Interfund Receivable	Fund	Interfund Payable
General	<u>\$ 7,089</u>	Current Tax Collection	<u>\$ 7,089</u>

NOTE 7 - PENSION

The Township paid \$8,568 during the fiscal year 2003-04 to Manufacturers' Life Insurance to fund the pension plan for participants. This amount consists of contributions from both the Township and participants.

The pension plan has:

- a) no minimum service requirements;
- b) all members of the Board are eligible;
- c) the Township shall annually contribute 100 percent premiums or charges based on contributions of 20 percent of annual salary (minimum cost is \$300), and;
- d) immediate payoff is available.

NOTE 8 - RISK FINANCING

The Township is exposed to various risks of loss related to theft of, damage to, and distribution of assets; errors and omissions; and injuries to employees. The Township purchases insurance from independent third parties for claims relating to general liability, excess liability, auto liability, errors and omissions, physical damage (equipment, building and contents) and workers' compensation. Settlement amounts have not exceeded insurance coverage for the current or three prior years.

DANBY TOWNSHIP
NOTES TO FINANCIAL STATEMENTS

NOTE 9 - NEW REPORTING STANDARD

In June 1999, the Governmental Accounting Standards Board (GASB) Issued Statement 34 "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments." This Statement establishes new financial reporting requirements for state and local governments throughout the United States. When implemented, it will require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in all prior years will be affected. The Township is required to implement this standard for the fiscal year ending March 31, 2005. The township has not yet determined the full impact that the adoption of GASB Statement 34 will have on the financial statements.

**DANBY TOWNSHIP
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
MARCH 31, 2004**

	Public Improvement		Improvement Revolving		Fire		Road and Bridge		Pearl Barr Special Lighting		F. Evans Memorial		Cemetery Building		Totals
ASSETS															
Assets															
Cash and Cash Equivalents	\$	121,333	\$	131,727	\$	52,356	\$	109,507	\$		\$		2,873	\$	417,796
Investments		51,350		85,147		11,329		59,104							206,930
Total Assets	\$	172,683	\$	216,874	\$	63,685	\$	168,611	\$	-0-	\$	-0-	2,873	\$	624,726
FUND BALANCES															
Fund Balances															
Reserved	\$		\$		\$		\$		\$		\$		2,873	\$	2,873
Unreserved		172,683		216,874		63,685		168,611							621,853
Total Fund Balances	\$	172,683	\$	216,874	\$	63,685	\$	168,611	\$	-0-	\$	-0-	2,873	\$	624,726

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
COMBINING BALANCE SHEET
ALL NONEXPENDABLE TRUST FUNDS
MARCH 31, 2004

		Cemetery Perpetual Care Trust	Shuman- Rumfield Trust	Wm. B. Shuman Trust	Alice A. Fishbeck Trust	D. F. Deatsman Trust	Wm. J. Browne Trust	Benton Stiffler Trust	Totals
ASSETS	Assets								
	Cash and Cash Equivalents	\$ 7,666	\$ 6,192	\$ 69	\$ 25	\$ 90	\$ 68	\$ 69	\$ 14,179
	Investments	<u>1,383</u>	<u>17,000</u>	<u>272</u>	<u>127</u>	<u>338</u>	<u>272</u>	<u>272</u>	<u>19,664</u>
	Total Assets	<u>\$ 9,049</u>	<u>\$ 23,192</u>	<u>\$ 341</u>	<u>\$ 152</u>	<u>\$ 428</u>	<u>\$ 340</u>	<u>\$ 341</u>	<u>\$ 33,843</u>
FUND BALANCES									
	Fund Balances Reserved	<u>\$ 9,049</u>	<u>\$ 23,192</u>	<u>\$ 341</u>	<u>\$ 152</u>	<u>\$ 428</u>	<u>\$ 340</u>	<u>\$ 341</u>	<u>\$ 33,843</u>
	Total Fund Balances	<u>\$ 9,049</u>	<u>\$ 23,192</u>	<u>\$ 341</u>	<u>\$ 152</u>	<u>\$ 428</u>	<u>\$ 340</u>	<u>\$ 341</u>	<u>\$ 33,843</u>

DANBY TOWNSHIP
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED MARCH 31,2004

	Public Improvement	Improvement Revolving	Fire	Road and Bridge	Pearl Barr Special Lighting	F. Evans Memorial	Cemetery Building	Totals
REVENUES:								
Taxes	\$	\$	\$ 59,492	\$	1,417	\$	\$	\$ 60,909
Interest	1,797	2,315	763	2,144		30	21	7,070
Total Revenues	\$ 1,797	\$ 2,315	\$ 60,255	\$ 2,144	\$ 1,417	\$ 30	\$ 21	\$ 67,979
EXPENDITURES:								
Public works					1,417			1,417
Public safety			58,729					58,729
Total Expenditures	\$ -0-	\$ -0-	\$ 58,729	\$ -0-	\$ 1,417	\$ -0-	\$ -0-	\$ 60,146
Excess of Revenues Over (Under) Expenditures	\$ 1,797	\$ 2,315	\$ 1,526	\$ 2,144	\$ -0-	\$ 30	\$ 21	\$ 7,833
OTHER FINANCING SOURCES (USES):								
Operating transfers in	\$ 19,000	\$ 30,000	\$	\$ 25,000	\$	\$	\$	\$ 74,000
Operating transfers out	(15,000)	(20,000)		(20,000)		(8,181)		(63,181)
Total Other Financing Sources (Uses)	\$ 4,000	\$ 10,000	\$ -0-	\$ 5,000	\$ -0-	\$ (8,181)	\$ -0-	\$ 10,819
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 5,797	\$ 12,315	\$ 1,526	\$ 7,144	\$ -0-	\$ (8,151)	\$ 21	\$ 18,652
Fund Balance - April 1	166,886	204,559	62,159	161,467	-0-	8,151	2,852	606,074
Fund Balance - March 31	\$ 172,683	\$ 216,874	\$ 63,685	\$ 168,611	\$ -0-	\$ -0-	\$ 2,873	\$ 624,726

DANBY TOWNSHIP
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
ALL NONEXPENDABLE TRUST FUNDS
FOR THE YEAR ENDED MARCH 31, 2004

	Cemetery Perpetual Care Trust	Shuman- Rumfield Trust	Wm. B. Shuman Trust	Alice A. Fishbeck Trust	D.F. Derfzman Trust	Wm. J. Browne Trust	Benton Stiffler Trust	Totals
OPERATING REVENUES	\$ 349	\$	\$	\$	\$	\$	\$	349
OPERATING EXPENDITURES			4	3	5	3	3	18
Operating Income (Loss)	\$ 349	\$ -0-	\$ (4)	\$ (3)	\$ (5)	\$ (3)	\$ (3)	331
NONOPERATING REVENUES (EXPENSES)								
Interest revenue	228	905	15	7	18	15	15	1,203
Net Income	\$ 577	\$ 905	\$ 11	\$ 4	\$ 13	\$ 12	\$ 12	1,534
Fund Balance - April 1	8,472	22,287	330	148	415	328	329	32,309
Fund Balance - March 31	\$ 9,049	\$ 23,192	\$ 341	\$ 152	\$ 428	\$ 340	\$ 341	33,843

DANBY TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES:			
Taxes:			
Current Taxes	\$ 43,000	\$ 48,135	\$ 5,135
Delinquent Taxes	2,500	3,119	619
Drain at Large	5,000	1,298	(3,702)
Administrative Fee	10,500	15,989	5,489
	<u>\$ 61,000</u>	<u>\$ 68,541</u>	<u>\$ 7,541</u>
Licenses and Permits:			
Land Division	\$ 1,200	\$ 1,020	\$ (180)
Zoning Permits	3,000	3,047	47
Cable TV Franchise Fees	-0-	3,167	3,167
	<u>\$ 4,200</u>	<u>\$ 7,234</u>	<u>\$ 3,034</u>
State Grants:			
State Shared Revenue	\$ 200,000	\$ 188,073	\$ (11,927)
Charges for Services:			
Ambulance Services	\$ 15,000	\$ 18,663	\$ 3,663
Cemetery Foundations	1,500	2,514	1,014
Cemetery Lot Sales	2,500	2,937	437
Grave Openings	1,500	3,625	2,125
	<u>\$ 20,500</u>	<u>\$ 27,739</u>	<u>\$ 7,239</u>
Interest and Rentals:			
Rent	\$ 280	\$ 280	\$ -0-
Interest	2,000	927	(1,073)
	<u>\$ 2,280</u>	<u>\$ 1,207</u>	<u>\$ (1,073)</u>
Other Revenue	\$ 2,500	\$ 25,350	\$ 22,850
Total Revenues	<u>\$ 290,480</u>	<u>\$ 318,144</u>	<u>\$ 27,664</u>
EXPENDITURES:			
Current:			
Legislative:			
Salaries	\$ 4,302	\$ 4,330	\$ (28)
Social security	1,600	1,326	274
Medicare	800	855	(55)
Office supplies	600	518	82
Library	800	800	-0-
Legal	10,000	7,333	2,667
Accounting	1,300	1,500	(200)
Memberships & dues	1,300	1,236	64
Communications	500	198	302
Transportation & expenses	1,500	912	588
Portland Area Service Group (PASG)	2,500	2,500	-0-
Printing & publishing	2,500	2,093	407
Repairs & maintenance	100		100
Miscellaneous	200	1,047	(847)
Equipment	1,000		1,000
Total Legislative	<u>\$ 29,002</u>	<u>\$ 24,648</u>	<u>\$ 4,354</u>

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2004

	Budget	Actual	Variance Favorable (Unfavorable)
General Government:			
Supervisor:			
Salaries	\$ 9,000	\$ 9,000	\$ -0-
Salaries - Deputy	944	366	578
Office supplies	100	43	57
Tax roll preparation	300	457	(157)
Communications	300	175	125
Transportation & expenses	850	479	371
Equipment	500		500
	<u>\$ 11,994</u>	<u>\$ 10,520</u>	<u>\$ 1,474</u>
Election:			
Salaries	\$ 500	\$ 164	\$ 336
Office supplies	900	454	446
Contracted services	1,000	297	703
Communications	10	17	(7)
Transportation & expenses	250		250
Printing & publishing	900		900
Equipment	500		500
	<u>\$ 4,060</u>	<u>\$ 932</u>	<u>\$ 3,128</u>
Assessor:			
Office supplies	\$ 750	\$ 731	\$ 19
Fees	1,000	840	160
Contracted services	12,280	12,271	9
Communications	250	76	174
Printing & publishing	150		150
Equipment	8,500	4,275	4,225
	<u>\$ 22,930</u>	<u>\$ 18,193</u>	<u>\$ 4,737</u>
Clerk:			
Salaries	\$ 14,000	14,000	-0-
Salaries - Deputy	894	1,938	(1,044)
Office supplies	600	255	345
Memberships & dues	85		85
Communications	50		50
Printing & publishing	750	478	272
Office rent	400	400	-0-
Equipment	1,000	370	630
	<u>\$ 17,779</u>	<u>\$ 17,441</u>	<u>\$ 338</u>
Board of Review:			
Salaries	\$ 1,500	816	684
Office supplies	100		100
Communications	5		5
Transportation & expenses	250	239	11
Printing & publishing	400		400
	<u>\$ 2,255</u>	<u>\$ 1,055</u>	<u>\$ 1,200</u>

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2004

	Budget	Actual	Variance Favorable (Unfavorable)
Treasurer:			
Salaries	\$ 15,000	\$ 15,000	\$ -0-
Salaries - Deputy	894	792	102
Office supplies	2,100	3,017	(917)
Memberships & dues	35		35
Communications	50	6	44
Transportation & expenses	400	26	374
Office rent	400	400	-0-
Equipment	700	1,292	(592)
	<u>\$ 19,579</u>	<u>\$ 20,533</u>	<u>\$ (954)</u>
Township Hall:			
Salaries	\$ 950	\$ 628	\$ 322
Office supplies	200	28	172
Communications	1,000	1,155	(155)
Transportation & expenses	25		25
Utilities	1,500	1,374	126
Repairs & maintenance	2,500	746	1,754
Land purchase & development	20,000	25,565	(5,565)
Capital Outlay	1,500		1,500
	<u>\$ 27,675</u>	<u>\$ 29,496</u>	<u>\$ (1,821)</u>
Cemetery:			
Salaries	\$ 13,268	\$ 12,139	\$ 1,129
Office supplies	50		50
Operating supplies	1,500	1,958	(458)
Grave openings	1,200	1,350	(150)
Communications	20		20
Transportation & expenses	100		100
Printing & publishing	50		50
Utilities	350	375	(25)
Repairs & maintenance	2,000	270	1,730
Capital Outlay	3,000	17,535	(14,535)
	<u>\$ 21,538</u>	<u>\$ 33,627</u>	<u>\$ (12,089)</u>
Unallocated:			
Pension	\$ 9,500	\$ 8,568	\$ 932
Office supplies	150		150
Snow plowing	500	645	(145)
Insurance & bonds	5,000	6,092	(1,092)
Contingency	20,417		20,417
	<u>\$ 35,567</u>	<u>\$ 15,305</u>	<u>\$ 20,262</u>
Total General Government	<u>\$ 163,377</u>	<u>\$ 147,102</u>	<u>\$ 16,275</u>
Public Works:			
Drain at large	\$ 5,000	\$ 1,366	\$ 3,634

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2004

	Budget	Actual	Variance Favorable (Unfavorable)
Highways, Streets & Bridges			
Dust control	\$ 30,000	16,534	13,466
Road maintenance	35,000	34,678	322
Centerline bridge	30,000	87	29,913
Kent Street bridge	20,000	617	19,383
	<u>\$ 115,000</u>	<u>\$ 51,916</u>	<u>\$ 63,084</u>
 Total Public Works	 <u>\$ 120,000</u>	 <u>\$ 53,282</u>	 <u>\$ 66,718</u>
 Public Safety:			
Ambulance:			
Salaries	\$ 900	\$ 415	\$ 485
Office supplies	200		200
Legal	300		300
Collection agency	300	490	(190)
Per capita fees	2,696	2,696	-0-
Portland Ambulance Service	28,000	35,619	(7,619)
Printing & publishing	50		50
PAMA payment	3,700	257	3,443
	<u>\$ 36,146</u>	<u>\$ 39,477</u>	<u>\$ (3,331)</u>
 Planning Commission:			
Salaries	\$ 2,500	\$ 2,330	\$ 170
Office supplies	400		400
Legal	5,000	925	4,075
Contracted services	2,000	4,713	(2,713)
Communications	100		100
Transportation & expenses	500	89	411
Printing & publishing	1,000	988	12
	<u>\$ 11,500</u>	<u>\$ 9,045</u>	<u>\$ 2,455</u>
 Zoning Administrator:			
Salaries	\$ 5,000	\$ 1,532	\$ 3,468
Office supplies	150	17	133
Communications	100		100
Transportation & expenses	750	302	448
	<u>\$ 6,000</u>	<u>\$ 1,851</u>	<u>\$ 4,149</u>
 Zoning Board of Appeals:			
Salaries	\$ 600	\$ 158	\$ 442
Office supplies	50		50
Communications	50		50
Transportation & expenses	500		500
Printing & publishing	200		200
	<u>\$ 1,400</u>	<u>\$ 158</u>	<u>\$ 1,242</u>
 Total Public Safety	 <u>\$ 55,046</u>	 <u>\$ 50,531</u>	 <u>\$ 4,515</u>
 Total Expenditures	 <u>\$ 367,425</u>	 <u>\$ 275,563</u>	 <u>\$ 91,862</u>

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED MARCH 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Excess of Revenues Over (Under) Expenditures	\$ <u>(76,945)</u>	\$ <u>42,581</u>	\$ <u>(64,198)</u>
Other Financing Sources (Uses)			
Operating Transfers In	\$ 105,000	\$ 63,181	\$ (41,819)
Operating Transfers Out	<u>(74,000)</u>	<u>(74,000)</u>	<u>-0-</u>
Net Other Financing Sources (Uses)	\$ <u>31,000</u>	\$ <u>(10,819)</u>	\$ <u>(41,819)</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ <u><u>(45,945)</u></u>	\$ 31,762	\$ <u><u>(106,017)</u></u>
Fund Balances - April 1		<u>72,547</u>	
Fund Balance - March 31		\$ <u><u>104,309</u></u>	

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PUBLIC IMPROVEMENT FUND
FOR THE YEAR ENDED MARCH 31,2004

	Original Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Interest	\$ 3,500	\$ 1,797	\$ (1,703)
Total Revenues	\$ 3,500	\$ 1,797	\$ (1,703)
EXPENDITURES:			
Public safety	-0-	-0-	-0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Excess of Revenues Over (Under) Expenditures	\$ 3,500	\$ 1,797	\$ (1,703)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	\$ 15,000	\$ 19,000	\$ 4,000
Operating transfers out	(35,000)	(15,000)	20,000
Total Other Financing Sources (Uses)	\$ (20,000)	\$ 4,000	\$ 24,000
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (16,500)	\$ 5,797	\$ 22,297
Fund Balance - April 1		166,886	
Fund Balance - March 31		\$ 172,683	

The notes to the financial statements
are an integral part of this statement

**DANBY TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
IMPROVEMENT REVOLVING FUND
FOR THE YEAR ENDED MARCH 31,2004**

	<u>Original Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Interest	\$ 5,000	\$ 2,315	\$ (2,685)
Total Revenues	\$ 5,000	\$ 2,315	\$ (2,685)
EXPENDITURES:			
Public safety	-0-	-0-	-0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Excess of Revenues Over (Under) Expenditures	\$ 5,000	\$ 2,315	\$ (2,685)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	\$ 30,000	\$ 30,000	\$ 0
Operating transfers out	(35,000)	(20,000)	15,000
Total Other Financing Sources (Uses)	\$ (5,000)	\$ 10,000	\$ 15,000
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 0	\$ 12,315	\$ 12,315
Fund Balance - April 1		204,559	
Fund Balance - March 31		\$ 216,874	

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FIRE FUND
FOR THE YEAR ENDED MARCH 31,2004

	Original Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes	\$ 58,797	\$ 59,492	\$ 695
Interest	1,000	763	(237)
Total Revenues	\$ 59,797	\$ 60,255	\$ 458
EXPENDITURES:			
Public safety	75,726	58,729	16,997
Total Expenditures	\$ 75,726	\$ 58,729	\$ 16,997
Excess of Revenues Over (Under) Expenditures	\$ (15,929)	\$ 1,526	\$ 17,455
OTHER FINANCING SOURCES (USES):			
Operating transfers in	\$ -0-	\$ -	\$ -0-
Operating transfers out	-0-	-	-0-
Total Other Financing Sources (Uses)	\$ -0-	\$ -0-	\$ -0-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (15,929)	\$ 1,526	\$ 17,455
Fund Balance - April 1		62,159	
Fund Balance - March 31		\$ 63,685	

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
FOR THE YEAR ENDED MARCH 31,2004

	Original Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Interest	\$ 3,500	\$ 2,144	\$ (1,356)
Total Revenues	\$ 3,500	\$ 2,144	\$ (1,356)
EXPENDITURES:			
Public safety	-0-	-0-	-0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Excess of Revenues Over (Under) Expenditures	\$ 3,500	\$ 2,144	\$ (1,356)
OTHER FINANCING SOURCES (USES):			
Operating transfers in	\$ 25,000	\$ 25,000	\$ 0
Operating transfers out	(35,000)	(20,000)	15,000
Total Other Financing Sources (Uses)	\$ (10,000)	\$ 5,000	\$ 15,000
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (6,500)	\$ 7,144	\$ 13,644
Fund Balance - April 1		161,467	
Fund Balance - March 31		\$ 168,611	

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PEARL BARR LIGHTING DISTRICT FUND I
FOR THE YEAR ENDED MARCH 31,2004

	Original Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Taxes - Special assessment	\$ 728	\$ 728	\$ -0-
Total Revenues	\$ 728	\$ 728	\$ -0-
EXPENDITURES:			
Public works	728	728	-0-
Total Expenditures	\$ 728	\$ 728	\$ -0-
Excess of Revenues Over (Under) Expenditures	\$ -0-	\$ -0-	\$ -0-
Fund Balance - April 1		-0-	
Fund Balance - March 31		\$ -0-	

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PEARL BARR LIGHTING DISTRICT FUND II
FOR THE YEAR ENDED MARCH 31,2004

	<u>Original Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Taxes - Special assessment	\$ <u>720</u>	\$ <u>689</u>	\$ <u>(31)</u>
Total Revenues	\$ <u>720</u>	\$ <u>689</u>	\$ <u>(31)</u>
EXPENDITURES:			
Public works	<u>720</u>	<u>689</u>	<u>31</u>
Total Expenditures	\$ <u>720</u>	\$ <u>689</u>	\$ <u>31</u>
Excess of Revenues Over (Under) Expenditures	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>
 Fund Balance - April 1		<u>-0-</u>	
Fund Balance - March 31		<u>\$ <u>-0-</u></u>	

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
F. EVANS MEMORIAL FUND
FOR THE YEAR ENDED MARCH 31,2004

	Original Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Interest	\$ -0-	\$ 30	\$ 30
Total Revenues	\$ -0-	\$ 30	\$ 30
EXPENDITURES:			
Public safety	-0-	-0-	-0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Excess of Revenues Over (Under) Expenditures	\$	\$ 30	\$ 30
OTHER FINANCING SOURCES (USES):			
Operating transfers in	\$ 4,000	\$	\$ (4,000)
Operating transfers out	-0-	(8,181)	(8,181)
Total Other Financing Sources (Uses)	\$ 4,000	\$ (8,181)	\$ (12,181)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 4,000	\$ (8,151)	\$ (12,151)
Fund Balance - April 1		8,151	
Fund Balance - March 31		\$ -0-	

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CEMETERY BUILDING
FOR THE YEAR ENDED MARCH 31,2004

	Original Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Interest	\$ -0-	\$ 21	\$ 21
Total Revenues	\$ -0-	\$ 21	\$ 21
EXPENDITURES:			
Public safety	-0-	-0-	-0-
Total Expenditures	\$ -0-	\$ -0-	\$ -0-
Excess of Revenues Over (Under) Expenditures	\$ -0-	\$ 21	\$ 21
OTHER FINANCING SOURCES (USES):			
Operating transfers in	\$ -0-	\$	\$ -0-
Operating transfers out	-0-		-0-
Total Other Financing Sources (Uses)	\$ -0-	\$ -0-	\$ -0-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ -0-	\$ 21	\$ 21
Fund Balance - April 1		2,852	
Fund Balance - March 31		\$ 2,873	

The notes to the financial statements
are an integral part of this statement

DANBY TOWNSHIP
COMBINING STATEMENT OF CHANGES IN ASSETS AND
LIABILITIES - ALL AGENCY FUNDS
MARCH 31, 2004

	Balance 4/1/03	Additions	Deductions	Balance 3/31/04
<u>TAX COLLECTION FUND</u>				
ASSETS				
Cash	\$ -0-	\$ 1,644,600	\$ 1,637,511	\$ 7,089
Total Assets	\$ <u>-0-</u>	\$ <u>1,644,600</u>	\$ <u>1,637,511</u>	\$ <u>7,089</u>
LIABILITIES				
Liabilities				
Accounts Payable	\$ -0-	\$ 15,516	\$ 15,516	\$ -0-
Due to Other Funds	-0-	130,422	123,333	7,089
Undistributed Tax Collections	<u>-0-</u>	<u>1,498,662</u>	<u>1,498,662</u>	<u>-0-</u>
Total Liabilities	\$ <u>-0-</u>	\$ <u>1,644,600</u>	\$ <u>1,637,511</u>	\$ <u>7,089</u>

The notes to the financial statements
are an integral part of this statement